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DOCKET FOR REGULAR COUNCIL MEETING OF TUESDAY, JULY 10, 2001 AT 10:00 A.M. CITY ADMINISTRATION BUILDING COUNCIL CHAMBERS - 12TH FLOOR 202 "C" STREET SAN DIEGO, CA 92101

<u>NOTE:</u> The public portion of the meeting will begin at 10:00 a.m. The City Council will meet in Closed Session this morning from 9:00 a.m. - 10:00 a.m. Copies of the Closed Session agenda are available in the Office of the City Clerk.

OTHER LEGISLATIVE MEETINGS

The **SAN DIEGO REDEVELOPMENT AGENCY** is scheduled to meet today in the Council Chambers. A separate agenda is published for it, and is available in the Office of the City Clerk. For more information, please contact the Redevelopment Agency Secretary at 236-6233.

ITEM-300: ROLL CALL.

NON-AGENDA PUBLIC COMMENT

This portion of the agenda provides an opportunity for members of the public to address the Council on items of interest within the jurisdiction of the Council. (Comments relating to items on today's docket are to be taken at the time the item is heard.)

Time allotted to each speaker is determined by the Chair, however, comments are limited to no more than three (3) minutes **total per subject** regardless of the number of those wishing to speak. Submit requests to speak to the City Clerk **prior** to the start of the meeting. Pursuant to the Brown Act, no discussion or action, other than a referral, shall be taken by Council on any issue brought forth under "Non-Agenda Public Comment."

COUNCIL, CITY ATTORNEY, CITY MANAGER COMMENT

REQUEST FOR CONTINUANCE

The Council will now consider requests to continue specific items.

ADOPTION AGENDA, HEARINGS NOTICED HEARINGS:

ITEM-330: SeaWorld Master Plan Update.

Matter of approving, conditionally approving, modifying, or denying the SeaWorld Master Plan Update and associated amendments to the Mission Bay Park Master Plan, Local Coastal Program, and Progress Guide and General Plan. SeaWorld is located north of SeaWorld Drive and east of Ingraham Street, on the southern edge of Mission Bay Park.

The SeaWorld Master Plan Update sets forth a long-range conceptual development program, development parameters, and project review procedures for the future renovation of SeaWorld. The Master Plan Update includes amendments to the Mission Bay Park Master Plan to revise the height limit at SeaWorld from 30-feet up to a maximum of 160-feet. The Master Plan includes site-specific proposals, both near term and long term, including but not limited to a splashdown ride (not to exceed 95 feet in height), a multi-story education complex (45 feet in height), a front gate renovation (90 feet in height at the tallest icon point), and a special events center (60 feet in height at the tallest icon point).

The SeaWorld Master Plan Update is located in the Coastal Zone, therefore the City Council's decision requires amending the City's Local Coastal Program. As a result, the final decision on this SeaWorld Master Plan Update will be with the California Coastal Commission. The City of San Diego must submit this as an amendment for certification to the Coastal Commission. The amendment is not effective in the Coastal Zone until the Coastal Commission unconditionally certifies the amendment.

(SeaWorld Master Plan Update/Progress Guide and General Plan Amendments/Mission Bay Park Master Plan/Local Coastal Program 99-0618. Mission Bay Park Community Plan area. District-2.)

CITY MANAGER'S RECOMMENDATION:

Adopt the resolutions in subitems A and B:

Subitem-A: (R-2002-19)

Adoption of a Resolution certifying that the information contained in Environmental Impact Report (EIR) LDR-99-0618 has been completed in compliance with the California Environmental Quality Act of 1970 (California Public Resources Code section 21000 et seq.), as amended, and the State guidelines thereto (California Code of Regulations section 15000 et seq.), that the report reflects the independent judgment of the City of San Diego as Lead Agency and that the information contained in said report, together with any comments received during the public review process,

has been reviewed and considered by this Council in connection with the approval of the SeaWorld Master Plan Update and associated amendments to the Progress Guide and General Plan, the Mission Bay Park Master Plan, and the Local Coastal Program;

That pursuant to California Public Resources Code section 21081 and California Code of Regulations section 15091, the City Council adopts the findings made with respect to the project;

That pursuant to California Code of Regulations section 15093, the City Council adopts the Statement of Overriding Considerations;

That pursuant to California Public Resources Code section 21081.6, the City Council adopts the Mitigation Monitoring and Reporting Program, or alterations to implement the changes to the project as required by this body in order to mitigate or avoid significant effects on the environment;

That the City Clerk is directed to file a Notice of Determination [NOD] with the Clerk of the Board of Supervisors for the County of San Diego regarding the above project.

Subitem-B: (R-2002-20)

Adoption of a Resolution approving the SeaWorld Master Plan Update, including associated amendments to the Progress Guide and General Plan, Mission Bay Park Master Plan, and Local Coastal Program, to become effective upon the California Coastal Commission's unconditional certification of the Local Coastal Program amendment;

Amending the Progress Guide and General Plan for the City of San Diego to incorporate the above amended plans;

SeaWorld is located in the Coastal Zone, therefore the City Council's decision requires amending the City's Local Coastal Program. As a result, these amendments will not become effective in the Coastal Zone until the Coastal Commission unconditionally certifies the Local Coastal Program amendment.

OTHER RECOMMENDATIONS:

Planning Commission on June 21, 2001, voted 6-0 to approve the City Manager's Recommendation, with modifications. See City Manager's Report for discussion of the Planning Commission's recommended modifications; was opposition.

Ayes: Garcia, Skorepa (voted no on bikepath), Stryker, Steele, Brown, Anderson

Not present: Butler

The Mission Bay Park Committee has recommended approval of the SeaWorld Master Plan Update presented by SeaWorld.

Recommendations from adjacent Community Planning Groups are included in Attachment 1 to the City Manager's Report.

CITY MANAGER SUPPORTING INFORMATION:

Background

In 1972, the voters of the City of San Diego passed Proposition D, which placed a 30-foot height limit on all new construction within the coastal zone. This 30-foot height restriction is incorporated into the Mission Bay Park Master Plan, and has governed new development within Mission Bay Park, including SeaWorld, for nearly the last 30 years.

On November 3, 1998, the voters of the City of San Diego approved the SeaWorld Initiative (see Attachment 2) which would amend the City of San Diego Municipal Code to allow development up to a maximum height of 160 feet on the SeaWorld leasehold. On October 14, 1999, the Planning Commission initiated amendments to the Mission Bay Park Master Plan and the Local Coastal Program to revise the height limit at SeaWorld from 30 feet to 160 feet. The current SeaWorld Master Plan was last updated in 1985. This 1985 plan allows for the general expansion of SeaWorld's attractions, a 300-room hotel in the Perez Cove area (update proposes 650 rooms), and a 200-slip addition to the existing marina in Perez Cove (update proposes 115 slips).

Since January of 2000, SeaWorld has conducted a wide variety of noticed public forums, and has attended numerous community planning group meetings in an effort to implement one of the Planning Commission's initial suggestions - to take extraordinary efforts to involve the public in SeaWorld's proposal to amend the Mission Bay Park Master Plan.

Four publicly noticed Planning Commission workshops to analyze and discuss SeaWorld's Master Plan Update were held in December of 1999, February and July of 2000, and May of 2001. Public testimony was provided at each of these workshops, and issues identified previously by both the public and the Planning Commission were addressed (see Attachment 3 - Responses to Issues identified by the Planning Commission). The final draft SeaWorld Master Plan Update is the product of all input received to date from the Planning Commission, the Community Outreach Forums, Planning Committee meetings, and comments from City staff.

Project Description

The final Draft SeaWorld Master Plan Update sets forth a long-range conceptual development program, development parameters, and project review procedures for the future renovation of SeaWorld. The Master Plan Update conceptual development program consists of three categories:

<u>Tier 1</u> are near term (2-6 years) projects and include a Splash Down Ride (95 feet high), an Education Complex (45 feet high), a Front Gate Renovation (90 feet high), and a Special Events Center (60 feet high).

<u>Tier 2</u> projects include areas to be developed in the long term. The Master Plan identifies eight areas within SeaWorld that are candidates for redevelopment, however, no specific projects are described. A wide variety of attractions would be allowed including aquariums, special effects theaters,

adventure rides, wildlife exhibits, research facilities, etc.

<u>Special Projects</u> include specific development proposals to be developed in the long term. These include a four-level Parking Garage (45 feet high), MTDB's Transit Station to be co-located within the parking structure, the Perez Cove Hotel (90 feet high), and the Perez Cove Marina Expansion (115 additional slips).

The SeaWorld Master Plan Update is structured so that it becomes part of the Mission Bay Park Master Plan by reference, thus functioning as a specific plan for the SeaWorld leasehold. The proposed amendments to the Mission Bay Park Master Plan are detailed in Attachment 6.

Because the SeaWorld Master Plan Update requires amendments to the Local Coastal Program, the California Coastal Commission must certify the document subsequent to City Council approval.

FISCAL IMPACT:

It is anticipated that implementation of the SeaWorld Master Plan Update will result in an increase in fiscal revenue to the City from improved business performance of the lessee. The minimum rent will also be adjusted to reflect any increase in the value of the leasehold that occurs once the lessee obtains fully vested entitlements.

Over the past 10 years, annual lease revenue from Sea World has increased from approximately \$3.9 million in FY 1990 to \$6.3 million in FY 2000. If the Sea World Master Plan is approved, it is anticipated that the investment in leasehold improvements will result in a further increase in leasehold revenue to the City as well as increasing ancillary revenue associated with any increase in attendance resulting from the improvements. In addition, if the Manager's recommendation is adopted, a rent credit provision currently contained in Sea World's lease will be deleted resulting in a potential savings of approximately \$1.16 million.

Loveland/Christiansen/Griffith/MJW

LEGAL DESCRIPTION:

The project site is located on SeaWorld Drive, east of Ingraham Street and West Mission Bay Drive, and on the southern edge of Mission Bay Park. It lies within the Mission Bay Park Master Plan area and the Coastal Zone (a Coastal Development Permit from the Coastal Commission would be required for this project).

ADOPTION AGENDA, HEARINGS NOTICED HEARINGS:

ITEM-331: Warren Development.

Matter of the appeal by Gunter Zittel represented by Worden, Williams, Richmond, Brechtel & Gibbs, of the decision by the Planning Commission in approving an application for a tentative map to consolidate four lots into one for condominium

purposes, a permit to demolish four residences and construct one three-story building for six units with an underground parking garage, landscaping and improvements in the public right-of-way. The 0.28 acre project site is located on the southeast corner of Olivetas Avenue and Ravina Street in Zone 5 of the La Jolla Planned District of the La Jolla Community Plan area.

(TM/SDP/CDP-40-0242. La Jolla Community Plan area. District-1.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution in subitem A; and adopt the resolution in subitem B to deny the appeal, and grant the map and permit:

Subitem-A: (R-2002-)

Adoption of a Resolution certifying that the information contained in Environmental Mitigated Negative Declaration LDR No. 40-0242 has been completed in compliance with the California Environmental Quality Act of 1970 and State guidelines, and that said MND has been reviewed and considered by the Council pursuant to California Public Resources Code Section 21081; and adopting the Mitigation Monitoring and Reporting Program.

Subitem-B: (R-2002-)

Adoption of a Resolution granting or denying the appeal and granting or denying the Tentative Map, Site Development/Coastal Development Permit No. 40-0242, with appropriate findings to support Council action.

OTHER RECOMMENDATIONS:

Planning Commission, on April 5, 2001, voted 5 - 0 to approve; was opposition.

Ayes: Garcia, Butler, Brown, Stryker, Skorepa

Recused: Steele

Not present: Anderson

The La Jolla Community Planning Group on June 2, 2000, voted 13-0-2 to recommend approval of the project with the condition that trash be lifted to the street.

CITY MANAGER SUPPORTING INFORMATION:

The project proposes to consolidate four lots into one for condominium purposes and to demolish four residences, and construct one three-story building for six units with an underground parking garage, landscaping, and improvements in the public right-of-way.

Background

The 0.28 acre site is located east of Olevitas Avenue, west of La Jolla Boulevard between Ravina Street and Pearl Street in the existing zone 5 of the La Jolla Planned District of the La Jolla Community Plan area. The surrounding properties are developed with single and multi-family residential uses. The proposed project is consistent with the La Jolla Community Plan land use map which designates this property for medium density residential land use (14-43 dwelling units per acre).

The existing four houses to be demolished were constructed prior to 1930. To address the potential that the existing structures have historical value, a historical evaluation has been completed which determined the houses are of no historic significance. The four structures are located at 7515 Olevitas Avenue and 415, 417, and 425 Ravina Street. The structure at 7515 Olivetas Avenue was built in 1918. The record shows that subsequent additions and alterations have been made to the structure. The house at 415 Ravina Street was built in 1976 when the previous structure, built in 1918, was demolished. The Mediterranean style house at 417 Ravina Street was built in 1918 and was later stripped and rebuilt as a stucco frame home. The Bungalow style house at 425 Ravina Street was also built in 1918.

Several additions and alterations have been made to the original structure. All the existing structures are single story buildings in reasonably good condition. The historical report concluded none of the structures were historically or architecturally significant under the California Environmental Quality Act as they are absent of any historical context, association with important persons or events, uniqueness, and/or structural integrity of the existing houses.

Council Policy 600-3 (Coastal Housing Program) exempts development which proposes to demolish less than ten units from any requirements to provide affordable housing replacement units (LDC 143.0820). The project is not conditioned to provide any replacement affordable housing units nor is the applicant proposing to do so.

FISCAL IMPACT: None.

Loveland/Christiansen/JSF

LEGAL DESCRIPTION:

The project site is located on the southeast corner of Olivetas Avenue and Ravina Street in Zone 5 of the La Jolla Planned District and is more particularly described as Lots 1, 2, 3, and 4 of Map No. 352.

ADOPTION AGENDA, HEARINGS NOTICED HEARINGS:

ITEM-332: Fanuel Street Rezone and Local Coastal Program Amendment.

(Continued from the meetings of April 17, 2001, Item 331, May 8, 2001, Item 331, May of May 22, 2001, Item 331, and May 22, 2001, Item 331; last continued at the request of the Council to allow the Council District 6 Representative to participate.)

Matter of approving, conditionally approving, modifying or denying a request to rezone a 0.29-acre property located at 4527, 4533, and 4545 Fanuel Street from CO-1-2 (Commercial-Office) to CC-3-4 (Commercial-Community).

The proposed rezone is located in the Coastal Zone, therefore the City Council's decision requires amending the City's Local Coastal Program. As a result, the final decision on this rezone will be with the California Coastal Commission. The City of San Diego must submit this as an amendment for certification to the Coastal Commission. The amendment is not effective in the Coastal Zone until the Coastal Commission unconditionally certifies the amendment.

(Rezone No. 40-0266. Pacific Beach Community Plan Area. District-2.)

NOTE: Hearing open. No testimony taken on 5/22/2001.

CITY MANAGER'S RECOMMENDATION:

Introduce the Ordinance:

(O-2001-128)

Introduction of an Ordinance changing 0.29 acres located at 4527 and 4545-4547 Fanuel Street, within the Pacific Beach Community Plan area, from the CO-1-2 (commercial-office) Zone into the CC-3-4 (commercial-community) Zone, as defined by San Diego Municipal Code Section 131.0507; and repealing Ordinance No. 10364 (New Series), adopted August 13,1970, of the Ordinances of the City of San Diego insofar as the same conflicts herewith.

OTHER RECOMMENDATIONS:

Planning Commission voted 5-1 to approve; was opposition.

Ayes: Steele, Skorepa, Brown, Stryker, Garcia

Nays: Anderson

The Pacific Beach Community Planning Group has recommended denial of the proposed rezone.

CITY MANAGER SUPPORTING INFORMATION:

The project site is a 0.29-acre property located at the southeast corner of Fanuel Street and Felspar Street, within Pacific Beach. The property is developed with three existing commercial buildings, parking, and landscaping. The buildings are currently occupied by a dentist office, a motorcycle sales and service shop, a hair salon, and one 2-bedroom apartment unit upstairs.

The property is currently zoned CO-1-2 (Commercial-Office). This zone allows a mix of office and residential uses, but does not allow commercial services such as the hair salon, nor does it allow vehicle sales and service such as the motorcycle shop. The dentist office is an allowed use.

In September of 1999, the City's Code Compliance Department investigated the site in response to complaints from the neighborhood. After inspecting the site, Code Compliance determined that both the hair salon and motorcycle shop uses were not permitted in the CO-1-2 zone, and were thus in violation of the City's Municipal Code. The Code Enforcement Case against the property has been held in abeyance to allow the property owner to seek City Council approval of a rezone that would permit both the hair salon and motorcycle shop to continue to operate on the premises.

In April of 2000, the owner submitted to the City a rezone application requesting the CC-1-1(Commercial-Regional) zone. This zone would allow a wide variety of retail and commercial uses, including vehicle and vehicle equipment sales and service (motorcycle shop).

On July 24, 2000, the Pacific Beach Community Planning Committee took formal action on the Fanuel Rezone proposal from CO-1-2 to CC-1-1 and voted (8-1-5) to recommend denial of the rezone request. The committee's action was based primarily on public testimony and opposition provided by residents in the surrounding neighborhood. Most of the complaints centered around the noise and vibration generated or caused by the existing motorcycle shop, including noise impacts associated with motorcycle repair activities (dynamometer), motorcycle noise from customers arriving and leaving the property, and extraneous motorcycle-related activities on the site (parties and road rallies).

Based primarily on opposition from the planning group and surrounding neighbors, the applicant agreed to revise the rezone application to request the CC-3-4 zone, which is a community commercial zone intended to accommodate development with a pedestrian orientation. The CC-3-4 zone prohibits vehicle and vehicle equipment sales and service. Therefore, the sales, rental, service, repair, or maintenance of motorcycles or motorcycle equipment would not be permitted on the property. The CC-3-4 zone would however, allow the hair salon to continue to operate.

On November 27, 2000, the applicant presented the revised rezone request to the Pacific Beach Community Planning Committee. Before voting on the revised rezone request, the Planning Committee chair determined that the committee would have to reconsider and rescind their previous vote (by a two-thirds majority). That motion to rescind their previous vote failed, and no further action was taken by the Committee on the requested CC-3-4 zone.

On December 14, 2000, this proposed rezone request was considered by the Planning Commission. During that hearing, considerable concern was expressed by neighbors regarding several uses permitted under the proposed CC-3-4 zone.

In an effort to prohibit certain uses permitted by the proposed zone but deemed inappropriate by neighbors, the applicant volunteered to restrict uses through a recorded deed restriction. The Planning Commission hearing was continued in order to provide the applicant the opportunity to both record the deed restriction, and allow the Pacific Beach Community Planning Committee to review and consider the deed restriction. On January 22, 2001, the Pacific Beach Community Planing Committee rejected the rezone request and deed restriction.

Finally, on February 15, 2001, the Planning Commission approved the proposed rezone (without the deed restriction).

FISCAL IMPACT: None.

LEGAL DESCRIPTION:

The 0.29 acres located at 4527 and 4545-4547 Fanuel Street, as shown on Zone Map Drawing No. B-4147, and is more particularly described as Parcels 1 and 2 of Parcel Map No. 00397.

NOTE: This project is exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15060(c)(2).

ADOPTION AGENDA, HEARINGS

NOTICED HEARINGS:

ITEM-333: Business Improvement District Budgets FY2002.

(Mid-City, Centre City, Uptown, Greater North Park, Old San Diego, Ocean Beach, La Jolla, Southeastern San Diego, College Area, Midway, Mission Hills, Pacific Beach, and San Ysidro Community Areas. Districts-1, 2, 3, 4, 6, 7, and 8.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2001-1627 Cor. Copy)

Levying an annual assessment within previously established Business Improvement Districts for July 1, 2001 through June 30, 2002 (FY2002).

Subitem-B: (R-2001-1628)

Authorizing the City Manager to execute an agreement with these associations for the respective Business Improvement Districts:

Association: Business Improvement District

Adams Avenue Business Association Adams Avenue

City Heights BIA City Heights
College Area Economic Development Corp. College Area

Diamond Economic Development Corp. Diamond - District

Downtown San Diego Partnership Downtown Improvement Area

El Cajon Boulevard BIA El Cajon Gateway
El Cajon Boulevard BIA El Cajon Central
Gaslamp Quarter Association Gaslamp

Hillcrest Association
Little Italy Association
Little Italy Association
Little Italy
North Bay Business Association
Midway
Mission Hills Association
Mission Hills
North Park Organization of Business
Ocean Beach Merchants' Association
Ocean Beach

Old Town S.D. Chamber of Commerce
Discover Pacific Beach
Promote La Jolla, Inc.
San Ysidro Improvement Corporation
Old Town
Pacific Beach
La Jolla
San Ysidro

CITY MANAGER SUPPORTING INFORMATION:

Business Improvement Districts (BIDS) are authorized by State law to assess benefitted businesses for the cost for certain activities. These activities are generally promotional in nature. Once a BID is established the City collects the assessments and disburses them to an appropriate entity representing the district pursuant to an annual operating agreement. There are currently 18 active districts in the City of San Diego: Adams Avenue, City Heights, College Area, Diamond, Downtown, El Cajon Boulevard Central, El Cajon Boulevard Gateway, Gaslamp, Hillcrest, La Jolla, Little Italy, Midway, Mission Hills, North Park, Ocean Beach, Old Town, Pacific Beach and San Ysidro. State law requires that the City Council annually adopt a budget for each BID and hold a public hearing to levy appropriate assessments. The actions being taken today are: the public hearing to levy the proposed assessment for each BID for FY 2002 and authorizing the City Manager to enter into the FY2002 annual BID operating agreements with the respective associations.

FISCAL IMPACT:

Approximately \$1.1 million of BID assessments will be collected in FY2002 by the City on behalf of BIDs and disbursed back to the BIDs. There is no net fiscal impact.

Loveland/Cunningham/JVK

NON-DOCKET ITEMS

ADJOURNMENT IN HONOR OF APPROPRIATE PARTIES

ADJOURNMENT